

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
300 Capitol Mall, Suite 1700
Sacramento, California 95814**

**CDI File No. ER01018366
OAL File No. 01-1219-06E
February 18, 2002**

SUBJECT: ORGANIZED AUTOMOBILE INSURANCE FRAUD INTERDICTION PROGRAM

FINAL STATEMENT OF REASONS AND UPDATED INFORMATIVE DIGEST

COST OR SAVINGS AND MANDATE TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The California Department of Insurance has determined that there will not be imposed a mandate upon local agencies or school districts, nor are there any costs for which reimbursement is required by Part 7 (commencing with Section 17500) of Division 4 of the Government Code. The regulations proposed in this notice provide a clarifying change in a definition of the term vehicle and provide a uniform methodology for automobile insurers to remit an assessment on an annualized basis.

IDENTIFICATION OF STUDIES

The Commissioner has not relied upon any technical, theoretical, or empirical study or report, or similar document, proposing the adoption of these regulations.

SUMMARY OF AND RESPONSE TO PUBLIC COMMENTS

The Department of Insurance has received no comments either during or after the public comment period to the notice.

ALTERNATIVES

No alternatives have been suggested to this notice and the Commissioner has determined that there are no other alternatives that would be as efficient and effective in addressing the identified problem. The purpose of these amendments are to conform and make uniform the assessment provisions in this program with a similar but distinct assessment program currently operated by the Department of Insurance. Lack of uniformity between the provisions of these automobile assessment programs would give rise to confusion and increased costs of collecting and tracking as well as calculating and remitting the assessment.

UPDATED INFORMATIVE DIGEST

There is no need to revise the Informative Digest filed in this matter on December 19, 2001.

CALIFORNIA DEPARTMENT OF INSURANCE

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